

Alstom Grid has snapped up UISOL, the company that makes the leading demand response (DR) management system. That means it can bring multi-vendor DR management under the umbrella of its market leading control room. But if you read between the lines, it also means the company intends to pull more and more under that umbrella, until it becomes king of smart grid by becoming king of the control room. Jesse Berst shares insights from his interviews; click to read.">

[Click to Print This Page](#)

[Back to Article](#)

SmartGridNews.com

The insider's guide to the modernization and automation of electric power

Smart grid mergers and acquisitions: Alstom poised to become king of the control room

By SGN Staff

Mar 21, 2011 - 10:39:05 AM

1

By Jesse Berst



Today's announcement by Alstom Grid of the acquisition of Santa Clara, CA-based Utility Integration Solutions, Inc. (UISOL) foretells three changes that will reverberate in the North American smart grid market.

- Alstom is moving out of its "get our house in order" phase and into an aggressive growth and expansion mode
- Alstom will re-assert itself in the US market, pushing its full line of products and services
- Alstom is re-architecting its products and its company to fit the next-generation smart grid that is now on the way

As a result of these changes, I believe Alstom Grid has a chance to become king of the control room by creating a de facto platform.

The UISOL acquisition

UISOL is a nine-year-old, 44-person firm with two major lines of business:

1. Services – Consulting and systems integration
2. Software – DRBizNet, the leading demand response (DR) management system, currently in use at PJM, Midwest ISO and elsewhere

With this acquisition, Alstom now has a demand response offering. But not a DR *aggregation* service that competes with the hundreds of others in that space. Rather, a DR *management* system that integrates all the aggregators. UISOL CEO and President Ali Vojdani calls it "multi-aggregator integration" and told me they seek to be the "Switzerland of demand response."

For UISOL, the combination with Alstom gives access to a global sales and support team. For Alstom, the move points the way to becoming king of the control room, then using that strength conquer other territories.

Along with Lawrence Berkeley National Laboratory, UISOL has been a driving force behind the OpenADR standards work, which will make it much easier to manage multiple aggregators from a single console. It is precisely this emphasis on an open, standards-



based integrated platform that leads me to believe Alstom could use its strength in the control room – where it is currently the leading provider of energy and distribution management systems (EMS/DMS) – to make inroads elsewhere.

Alstom's opportunity is to unify the kingdom. From its current strengths – EMS, DMS and now DR – it could eventually bring all the operational silos under one umbrella, including distributed generation, distributed storage, outage management, workforce management, meter data management, volt/VAR optimization, switching, etc. From there, Alstom could move to connect more robustly to the IT side of the utility.

([Lockheed Martin's SeeSuite command-and-control offering](#) might eventually grow into a competitor, though today its emphasis is more on situational awareness than full-scale EMS/DMS.)

This opportunity was staring Alstom's control room division in the face for years back when it was owned by Areva and went by the name Areva T&D. Unhappily, problems at the parent company prevented the U.S. division from moving forward aggressively.

The Big Three just got a Big Fourth

Alstom Grid may also use its control room relationships to sell more hardware, as competitors ABB and Siemens do today. In many parts of the world, particularly Europe and the Middle East, the \$5-billion, 20,000-employee firm is a full-line grid company. It manufactures core grid equipment, from transformers to relays to IEDs to circuit breakers. (The parent company totals \$33 billion and 93,000 employees.)

In the U.S., Alstom has never found success for its hardware, nor for its systems integration work. But I think U.S. utilities may soon have a fourth soup-to-nuts provider on par with Siemens, ABB and General Electric.

Re-architecting the software... and the company

I see signs Alstom, the new owner, will not be as slow-footed as Areva. In my interviews, I heard indications the company is underway on a full-scale re-organization with smart grid as the central theme. What's more, I learned that the firm is re-working its entire software suite as well.

"As the world moves to distributed energy resources, we are rethinking how to downsize and decentralize our software," revealed Alstom's Jean-Luc Roy, Partnership Strategy Director of the Automation Business Unit when I questioned him about next steps. "With millions of endpoints, we can no longer manage everything in a centralized way." This sentiment echoes the opinions of companies like S&C Electric, which is taking a [decentralized path to distribution automation](#). And of the Electric Power Research Institute (EPRI), which predicted [the end of centralized command and control](#).

My prediction: watch for more Alstom announcements soon. Aren't the grid wars getting interesting?

Subscribe to our FREE eMail News Alert!

Smart Grid Newsletter (SGN) is the insider's guide to the Smart Grid revolution. It consists of a FREE bi-monthly email summary, along with a companion Web site that contains the full stories and other helpful materials.

Benefits of subscribing: SGN is the only central source for all of the news, trends, research and marketplace information relevant to grid automation. In it, you will read about cutting edge technologies; successful pioneers and how they got ahead; regulatory changes that could unleash new markets; the latest research; and new opportunities for sales of grid-related products and services.

© Copyright 2009 SmartGridNews.com